Human Events *A Weekly Analysis for the American Citizen*
Editorial Office 1323 M STREET, WASHINGTON 5, D. C. *Telephone* NATIONAL 2066
VOL. V, NO. 49, *Issue Number* 254, DECEMBER 8, 1948 ★ *Editors:* FELIX MORLEY & FRANK C. HANIGHEN

UNIVERSITY OF MINNESOTA RECEIVED DEC 14 1948 LIBRARY

THE FREE STATE OF WYOTAH

by Herbert Harvey

My contention is simply that our great central government, with its habitual practice of seizing powers ad libitum on each "mandate" of the voters, should be confronted with at least some competition from a subordinate government really restricted to Constitutional powers. Except for details, this would seem to require only retreat by the Supreme Court from its present aggressive position as a neo-legislature.

Can this objective of freedom for a single sovereign State be accomplished without a new revolution? Certainly not by any national movement, which at this stage would necessarily be weaker than the political evil it would attack. Nor is there any department of central government (within the theoretical structure of "checks and balances") which can be appealed to now. All have adjusted to the new dispensation of power. Political parties, which depend on victories to be won at the polls no longer help. Evidently they dare not take any firm position.

But a remedy can be found, using the exigencies of the situation, by emphasizing the Tenth Amendment to the Constitution, which says:

> "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Let 100,000 families, comprising a political group willing to make some sacrifice for their country, migrate as a body to a single state of our present Union. It should be a state where the population is small and in which the local cultural situation is not hostile to the experiment we are about to describe. The new Pilgrims will then be numerous enough to fix the political aspect.

It is proposed that the state be converted politically into a model state, conceived in terms of the Constitutional Republic. This would be the task of the incoming group.

II

Such a state would assume no responsibility for collective security; it would have no social security laws and collect no unemployment insurance. Its banking would be conducted outside the Federal Reserve System -- that institution which is constantly clamoring for new powers to regulate the credit it creates. The state would treat agreements with labor organizations as enforceable. The citizens of the state

Copyright 1948 by HUMAN EVENTS, INC.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

would receive no grants, bonuses or payments from the Federal Government. Spartan severity! -- but the disease requires it. And in days gone by men faced far greater hardship to accomplish what we propose.

Multiple differences of political opinion, characteristic of liberal groups, as concerning the basic law for the commonwealth would be submerged by general acceptance of one American principle -- that the best government is the least. Each minority group would then accept the absence of the law it wants, in compensation for the absence of all the other laws other groups want. One could then expect a clean legal code and an honest regime. Citizens who had been at such real pains to create their own government would not ape that political slovenliness which is the depressing feature of older democratic communities.

We presume that our migrants have some capital -- an average of $5,000 or $10,000 per family -- so that they carry with them a degree of economic self-determination. The economic life should be directed, as a matter of self-defense, primarily toward the creation of kinds of wealth which could be contained in and traded within the state itself -- real property and agrarian production, with utilization of natural resources -- rather than characteristically pecuniary operations. The purpose would be to create a kind of economy in which the Federal Government would have a minimum of excuse to interfere. Export and import with other states would of course be permitted, but without encouragement to the extension of Federal jurisdiction.

The courts of Wyotah, as we shall call our state, might be expected to protect its citizens against certain anti-Constitutional seizures of Federal power. They would particularly contest every usurpation of power made by the Supreme Court in Washington.

The citizens of Wyotah would find themselves in possession of a commonwealth in which individual initiative would be economically productive and personally satisfying, while political initiative would meet informed public response. Their lives would be free of excessive governmental interference. Their success and happiness would be integrated with their work. Like earlier Americans, they would be free men.

III

What would be the counteraction in Washington?

It should be remembered that the Federal Government created by our Constitution possesses limited, designated powers over sovereign states and over the people. The government we have erected in Washington, however, is largely a government of assumed powers.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Each state which submits to a Federal assumption of power submits to it independently of each other state. Nothing in the Constitution implies that because a state may mistakenly submit for a time to external domination, it thereby forfeits its sovereign character, or loses the rights reserved to it in the original act of federation. Its people are free to exercise their rights today if they see fit. On this Constitutional basis we outline a formula for saving the Republic -- an opportunity for renascence without revolution.

If this be the theme of our drama, by what dangers shall we expect the heroine to be threatened? Will the Washington government persecute her? The free state of Wyotah will exercise its renewed freedoms under the protection of its own courts. Of course this will bring Wyotah in various ways into conflict with usurped Federal powers. But in certain instances we may expect that these usurped powers will be vacated as soon as they are boldly challenged.

Consider, for example, a prospective socialization of medicine under a Federal program. Suppose Wyotans are opposed to taking their health in Federal doses. The refusal of one state, under decrees of its courts, to participate in the program would hardly result in Federal troops entering the state to minister to the sick and imprison the doctors. It is more likely the Federal program would be allowed to go by default in such a state. Nor do I think that Federal troops would be invoked to close decentralized places of employment which might be following the state courts' views of a contract rather than the shifting views of Federal judges.

Such matters as these are indeed essential to state freedom, but they are not quite so essential to Federal domination. Moreover, independent action by one state would not prevent other states from participating to the full in such programs of medication and other socialistic policies as the Federal Government might propose.

But powers essential to sovereignty would come to issue. Two of them are conscription in peace time and social control of property by taxation. Could these be questioned?

Peacetime conscription would, I am sure, be systematically resisted by the people of Wyotah as, I believe, it will be sporadically resisted by people all over the United States. But in Wyotah resistance would be based upon declaration of its courts that conscription is outside the powers of the Federal Government. This would leave it outside the jurisdiction of the Supreme Court as well, since the Supreme Court, a creature of the Constitution, cannot itself create new Federal powers.

But suppose the Federal Government refused to accede to the local decision? In pondering enforcement of conscription, I think Washington

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

would hesitate long before sending troops into Wyotah. If it did, the opportunity for non-violent resistance would appear to be exemplary. Half a million people could refuse to yield up their conscripts.

IV

The income tax, used as an instrument of social demolition under Federal auspices -- conscription of capital -- is a different matter. But this issue would not have to be fought out on the soil of Wyotah. A decentralized, especially an agrarian, economy does not show incomes, corporate or individual, of the size likely to be confiscated under any plausible scale of percentage levies.

The Washington government finds itself today in possession of vast powers over the people of the United States. These powers were won peacefully, though not legally. And of these powers, many were won recently and are not yet consolidated. Half of America remembers that this country used to be free.

The weakness of government is that it must be supported by the people. If the American people submit to the new powers, government will expand further until it eventually extinguishes all freedom in the lives of the people supporting it. If we want freedom for America, we must win it back from Federal usurpation -- peacefully and legally. The American Constitution is an instrument at hand. We have described a hypothetical state which would exemplify these ideas. There is nothing to prevent such a state from becoming a reality.

A free enterprise economy in one state would excel regulated states in economic prosperity. Presently neighboring states would stop applying epithets -- exploitation, Fascism, reaction -- and begin to compare their own economic condition with that of Wyotah. They would then begin to demand freedom themselves. As this took place, trade would increase; the protective cloak of autarchy, initially necessary, could be loosened. Gradually a community of states economically and politically healthy would evolve.

This is the purpose of my suggestion. Not primarily to create a political island within the United States, but to create a working model of what a state of the United States can and should be under Federalism.

Herbert Harvey is an economist who observes that his published work is unimportant; his important work unpublished.

Quotation up to a paragraph is permitted with credit to HUMAN EVENTS. For reproduction or more extensive quotation address requests to HUMAN EVENTS, 1323 M Street, N. W., Washington 5, D. C. Trial subscription, three months for $3. Six months, $5.50. One year, $10. Two years, $18. Domestic airmail (including APO and FPO) and foreign (regular mail) one year, $11. Foreign airmail rates on request. Please remit in U.S.A. DOLLARS. Allow two weeks for new subscriptions or change of address to become effective.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Not Merely Gossip *A Supplement to* Human Events

December 8, 1948

UNIVERSITY OF MINNESOTA RECEIVED DEC 14 1948 LIBRARY

By Frank C. Hanighen

Washington observers are pondering a column by Jay Franklin entitled "Softer Policy toward Russia Forecast", which appeared in the Philadelphia Bulletin on November 29. With a Washington date line, the column begins: "When Harry Truman stepped into Roosevelt's shoes, the outlines of our recent foreign policy already had been firmly established. FDR, despite his struggles, had been isolated and neutralized, and the alliance of Wall Street and Big Brass was ready to take over. This alliance remained in effective control of American foreign policy until the early hours of November 3, 1948. By a small but sufficient shift of direction, the American people have reversed the basic assumption of this group -- that is, the 'inevitability' of a Soviet-American war, and hence the desirability of an armed showdown with the rulers of Russia." Mr. Franklin foresees appeasement.

The reason why this column has attracted attention is that Mr. Franklin was one of the brain-trusters and speech-writers of Mr. Truman during the campaign. Franklin is also regarded as one of the Left Wing crowd who stayed with Truman, instead of joining the Wallace camp. It is noticeable, also, that Franklin subtly identifies the Truman doctrine of "peaceful containment of Russia" with a policy of "inevitability of war" something that Mr. Truman's foreign policy advisers would strongly deny. All in all, these facts plus other signs and portents make many in Washington speculate as to whether an era of appeasement is at hand. Mr. Truman, at his press conference on December 2, was asked about the Franklin piece and replied that it was a "typical columnist's comment" and he would have nothing to say about it. The President's crack, however, has not stopped the speculation.

* * * * *

If one element in the Department of Justice has its way, the country may be treated to the interesting spectacle of that Department prosecuting an ex-Communist who had publicly given evidence about the workings of Soviet espionage. In Justice, there are two groups with opposing policies on the question of exposure of Communist activities. One group wants to bring to light these activities and whenever possible to prosecute alleged Soviet agents. The other would like to smother evidence and to prosecute, on some charge or other, anti-Communist figures, who have presumed to expose spy rings to which they claim they formerly belonged. Naturally, the second group is moved by political motives, to protect the reputation of the Administration. If the latter course prevails, irreparable damage will be done to the work of law enforcement officers. For, then, what Communist agent would care to risk his neck by turning state's evidence? In short, the above picture of the struggle within the Department of Justice offers an explanation of much in the Whittaker Chambers affair which has bewildered the average newspaper reader.

* * * * *

Dr. Sumner Slichter, of Harvard, appearing before the Flanders committee, on December 6, said that in the last three years American corporations have overstated their profits by about $16,400,000,000. "This is the amount", he remarked, "by which the reported statements of profits exaggerated the amount of income available to pay dividends, to expand plant, to increase wages, or to reduce prices". He claims that "the gap between real profits and reported profits is traceable to two principle inaccuracies. One arises from the fact that most corporations still insist on counting a rise in the cost of replacing inventories as profits. The other is that most corporations count the rise in the cost of replacing plant and

Copyright 1948 by Human Events, Inc.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

equipment as profits". One reason for these practices, says Slichter, is that accountants have not adapted their methods to new conditions and new problems. Another is that company executives take pride in making public reported profits.

If Dr. Slichter is correct, corporations showed a lack of understanding not only of publicity values, but also of the present political situation, when they publicized profits which obviously are not profits. They simply provided a field day for such critics as Candidate Truman who melodramatically described them as "cunning" men. Obviously, the last thing they are is "cunning". They either disregard good advice from honest public relations counsellors, or they employ dishonest counsellors who tell them what they want to hear (one of the worst vices of "big business men"). These executives rave angrily against "long-haired professors", when they should be giving ear to wise and honest professors like Slichter. They are not -- to use the kind of epithets employed by Truman -- "cunning exploiters"; they are simply "honest dumbbells", moving clumsily in a political situation manipulated by "smoothies".

* * * * *

As the mass of blueprints for the "next war" begins to choke the files in the Pentagon, one bureaucrat has thrust his fist through the jungle-like growth in protest. Mr. Max W. Ball, in charge of the Interior Department's Oil and Gas Division, has resigned in protest against the danger of losing the next war through overpreparations for it. "I think", remarked Ball, "that this country, which has been paying a good deal of attention to the problem of national preparedness, needs also to give thought to how not to prepare for a war. Two wars have been won by our vigorous and elastic economy. American industry has been elastic and strong because it has been operating under a free competitive system. There is a very real danger that in our anxiety to get ready for the next war we may prematurely channel our industry and by so doing restrict it and lessen its vigor and elasticity". Mr. Ball said that in considering the possibility of a war five years hence "our best recourse is to let industry develop freely".

Mr. Ball's wisdom has not, however, been as widely publicized as the grim fantasies fed out by other planners. In recent months there has been a publicity campaign to accustom the average person to the idea of complete regimentation of his personal life in a future war -- in short a drastic national service plan drafting every man and woman from 18 to 65. This picture (drawn, for instance, in a recent piece in This Week) portrayed an extermination of the "elastic" social life which surely contributed (just as much as the "elasticity" of industry) to the successful production in World War II. Mr. Bruce Catton in his recent book The War Lords of Washington described the curious drive late in 1943 by the armed services, Stimson and Roosevelt for a national service act -- at a time when the people had done so well in producing weapons that cutbacks in the arms industry were commencing. Even Mr. Catton (himself somewhat of a planner) was shocked. The core of the idea seemed to be that the morale of the soldier at the front would be impaired if the civilian population at home were not as sternly disciplined as himself. As if a front-line combatant would be happier if he knew that his wife was drafted, taken from her home, and sent to some other part of the country. Congress, in 1944, squelched the madness of Roosevelt and Stimson. Perhaps, the next Congress should investigate planners who are preparing the country for a state of "war Communism".

* * * * *

Concurrently with the accelerated dismantling policy following Truman's election, there is a redoubled drive by the same old elements which have always supported the Morgenthau Plan for Germany. Here and there in the press appear the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

recognizable "letters to the editor", dispatches from indoctrinated correspondents in Germany, muddled editorials, etc. These project the bogy of a strong, prosperous, dangerous Germany and advocate throttling down the tempo of German recovery. The spearhead of this drive, according to the grapevine in Washington, is a White House Secretary. He has approached editors and foreign editors of great metropolitan papers and warned them of a revived Third Reich, perilous to Europe and the world, and he points to the increased economic production in Germany today. It is indeed true that the German steel production has jumped from the yearly rate of 3 million tons, six months ago, to about 7 million tons today. Unmentioned, however, is the fact that the Allied level-of-industry agreement permits 10 million tons of steel a year and that the American Military Government has been trying to raise this to 15 million a year, in the interests not only of European recovery but also of American economy, sorely strained by domestic and foreign demands for steel. American military men laugh at the talk put out by the "White House Secretary" and are just about as frightened of the prospect of the revival of a Third Reich as they are of the military potential of Ecuador.

* * * * *

The praise of Albert Jay Nock's Freeman, in Mr. Lalley's review in this issue, sent us eagerly to a shelf whereon lie faded copies of Pearson's, The Seven Arts, Smart Set and a stout file of Mr. Nock's unforgettable publication. Picking up one dusty copy at random, we found the following leading editorial for September 22, 1920: "All that a political government is in business for is to limit the liberties of its people in order that privilege may the more freely and easily exploit their labour. Given a golden opportunity such as was furnished by the great war, and any Administration will push it to the limit of popular endurance and hold its advantages to the very last. . . . Political organization's primary object is, as we have often said, to maintain the stratification of society into two classes -- a privileged, exploiting class, and a propertyless, dependent class; and the apparent rivalry and opposition among political organizations exists merely in order that this primary object may be obscured."

Those were the days when Nock defended the civil rights of the Socialist Assemblymen in New York, but not their theories. On another page we find, "The socialist proposes as a remedy for the ills of the industrial system 'the nationalization of the country's principal industries'. But it is surely a triumph of hope over experience to expect a government to be able to eliminate waste in the operation of industries, to produce the maximum of wealth and distribute it equitably among all of the people. So intricate are the processes of production and distribution, so subtle the elements which enter into happiness, that omniscience is the only safe guide. And omniscience resides not in governments but in the laws of nature."

In the book section, Ernest A. Boyd (praise be his memory) performed a merciless surgery on the same kind of book which these many years later serves as the convenient altar for such "Pooh-Bah" critics as Fadiman, Schlesinger and Cousins to perform their hackneyed rites for the benefit of Left Wing readers. Calling the role of their 1920 counterparts -- Romain Rolland, Georg Brandes, Stefan Zweig, Israel Zangwill who extolled the now deservedly forgotten book -- Mr. Boyd says: "It is a process somewhat akin to that employed by the manufacturers of dental pastes or beauty remedies, when they call upon the ladies of the stage and film for recommendations. As there are stenographers who will feel more beautiful if they use the same face creams as the advertisers say Mary Pickford does, so there are doubtless intellectuals whose sense of their own identity is heightened by reading the book over which Romain Rolland alleges he has spent sleepless nights, or which eminent radicals describe as a masterpiece." The Freeman is, indeed -- as is said in Mr. Lalley's review -- the finest achievement in American journalism.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Book Events

Journal of Forgotten Days: May, 1934 - October, 1935; by Albert Jay Nock. Hinsdale, Illinois. The Henry Regnery Company. $3.50. Reviewed by J. M. Lalley.

The late Albert Jay Nock was one of those men who are spiritual aliens in the age to which they are native, and thus doomed to be misunderstood and undervalued. By temperament and tradition, and also perhaps by an intellectual bias imparted by his education, Nock was an Eighteenth Century American. But he was born in the year of the great railroad securities panic and died in the year of Potsdam and Hiroshima. Thus his life covered the period of roaring industrial expansion and technological innovation, and of the decay and death of everything that he valued in American life. In the end he seems to have given his countrymen up for lost, abandoning them to the destiny they had invited by their vices and follies, and for which they had been slowly prepared by two generations of urbanized habits and political cant. That destiny, he believed, could be nothing but slavery.

This posthumously published journal, which somehow survived Nock's general destruction of his unpublished papers, contains his day-to-day reflections during 17 months of one of the great revolutionary epochs of modern history. It was the period of the earlier phase of Hitler's rule in Germany, of the apogee of Mussolini's prestige and power in Italy. In America it was the nadir of the depression; and it was the age of enthusiastic experiment in Washington. The burden of the book is much like that of the well-known hymn: "Change and decay all around I see." Everywhere Nock observed the uninterrupted triumphs of the all-devouring State. Fascism, Nazism, Stalinism, New Dealism -- all these, he felt, were merely so many phases or manifestations of a single phenomenon. The advances of Leviathan could not be resisted, because men of integrity had vanished from the world, and there was no longer any real enthusiasm for either justice or liberty. He found himself obliged to surrender the premise that had sustained his Eighteenth Century heroes; that is, faith in the goodness of human nature. He asks himself mournfully whether the great bulk of humanity is really human after all, and whether old Calvin might not have been wiser in his generation than Mr. Jefferson in his. In politics, Nock had been something between a physiocrat and a philosophic anarchist. He believed that governments have no other origin or reason than the exploitation of one class by another. The only real protection from legalized robbery lay in preventing all concentrations of power. He was an early convert to the principles of Henry George, and never abandoned them. In his days as Editor of the Freeman, by general agreement the finest achievement of American journalism, Nock liked to call himself a radical; but hearing that a spokesman of the Left had described him as an "intelligent conservative", he reflected that he was really neither the one nor the other, but merely a man of civilized ideals.

This much is certainly confirmed by his journal, which is by no means exclusively concerned with politics, but reflects the great variety of his interests and his wide and fastidious reading. Though the quantity of his published work is unhappily rather slight, Nock was one of the most admirable writers of his age, and perhaps the last real master of the essay form. Although its cadence and structure reflect a classical discipline, his prose conforms in general to what is called the "plain style". It is free of rhetorical adornment and idiosyncracy. It has the appearance of an expression wholly devoid of artifice and is read with so little effort that one may remain for a time unaware of its beauty. Yet there is rarely or never a word or phrase that could be altered or deleted without great damage to the whole. Among the manifold symptoms of national degeneracy noted in these pages is Nock's lament for the disappearance of English as the written and spoken language of any considerable body of Americans.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED